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COMPUTECH HOLDINGS LIMITED

駿科網絡訊息有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8081)

PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO SHARES HELD ON THE RECORD DATE

Underwriter to the Rights Issue



PROPOSED RIGHTS ISSUE

The Company proposes to raise approximately HK\$71.7 million before expenses by way of Rights Issue, on the basis of one Rights Share for every two existing Shares held on the Record Date at the Subscription Price of HK\$0.128 per Rights Share. Qualifying Shareholders will be entitled to apply for additional Rights Shares in excess of their respective entitlements under the Rights Issue through excess application.

* For identification purposes only

The estimated net proceeds of the Rights Issue will be approximately HK\$68.8 million. The Company intends to apply the net proceeds from the Rights Issue (i) to develop the Group's mobile-online game business, including design and research and development of mobile-online games and identifying and securing intellectual property rights, which are intended for onward sale or licensing for development of mobile-online games; (ii) for investment and/or acquisition of company(ies) engaged in mobile-online game business when opportunities arise; and (iii) for general working capital of the Group.

On 21 March 2014, the Company and the Underwriter entered into the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to underwrite all the Underwritten Shares subject to the terms and conditions set out in the Underwriting Agreement.

GENERAL

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders.

The Company will send the Prospectus Documents to the Qualifying Shareholders only. The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the PAL and EAF) will be despatched to the Excluded Shareholders for their information only.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is conditional, inter alia, upon the fulfillments or waiver (as applicable) of the conditions set out under the section headed "Conditions of the Rights Issue" of this announcement. In particular, it is subject to the Underwriting Agreement not being terminated in accordance with its terms. Accordingly, the Rights Issue may or may not proceed. Any Shareholder or other person contemplating selling or purchasing the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company. Any Shareholder or other person contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

PROPOSED RIGHTS ISSUE

On 21 March 2014, the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Rights Issue.

Issue statistics

Basis of the Rights Issue	:	One Rights Share for every two existing Shares held on the Record Date
Number of Shares in issue as at the date of this announcement	:	1,120,857,620 Shares
Number of Rights Shares	:	560,428,810 Rights Shares (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) (<i>Note</i>)
Subscription Price	:	HK\$0.128 per Rights Share with nominal value of HK\$0.10 each
Underwriter	:	Win Fung Securities Limited
Enlarged issued share capital of the Company upon completion of the Rights Issue	:	1,681,286,430 Shares
Funds raised before expenses	:	Approximately HK\$71.7 million

Note: As at the date of this announcement, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. Assuming no further issue of new Shares or repurchase of Shares on or before the Record Date, the 560,428,810 Rights Shares represent 50% of the Company's issued share capital as at the date of this announcement and approximately 33.33% of the Company's issued share capital as enlarged by the issue of the Rights Shares.

Qualifying Shareholders

The Company will send the Prospectus Documents to the Qualifying Shareholders only on Thursday, 24 April 2014. To qualify for the Rights Issue, a Shareholder must:

1. be a shareholder whose name appears on the register of members of the Company on the Record Date; and
2. not be an Excluded Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, owners of Shares must lodge any transfer of Shares (together with the relevant share certificates) with the Company's branch share registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, 17 April 2014.

Closure of register of members

The register of members of the Company will be closed from Tuesday, 22 April 2014 to Wednesday, 23 April 2014, both days inclusive. No transfer of Shares will be registered during this period.

Rights of Overseas Shareholders

Overseas Shareholders on the Record Date, if any, may not be eligible to take part in the Rights Issue as explained below.

The Company will make enquiries pursuant to Rule 17.41(1) of the GEM Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Rights Issue will not be available to such Overseas Shareholders and no provision allotment of nil-Rights Shares will be made to them. Further information in this connection will be set out in the Prospectus. The Company will send copies of the Prospectus to the Excluded Shareholders for their information only, but will not send any PAL and EAF to them. The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Company will provisionally allot the Rights Shares, which represent the entitlements of the Excluded Shareholders to a nominee of the Company in nil-paid form and the Company

will procure that such nominee will endeavour to sell the rights as soon as practicable after dealings in nil-paid Rights Shares commence and in any event on or before the last day of dealings in nil-paid Rights Shares at a net premium (nil-paid). If and to the extent that such rights can be so sold, the nominee will account to the Company for the net proceeds of sale (after deducting the expenses of sale, if any), on the basis that the net proceeds after deducting the expenses of sale (if any) attributable to the sale of the Rights Shares that would otherwise have been allotted to the Excluded Shareholders shall be distributed pro rata to their shareholdings as at the Record Date (but rounded down to the nearest cent) to the Excluded Shareholders provided that individual amounts of HK\$100 or less shall be retained by the Company for its own benefit. Any of such nil-paid rights which are not sold as aforesaid will be dealt with as Rights Shares not accepted.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Subscription Price

The Subscription Price for the Rights Shares is HK\$0.128 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 23.35% to the closing price of HK\$0.167 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 22.52% to the average closing price of approximately HK\$0.1652 per Share for the five consecutive trading days ended on the Last Trading Day;
- (iii) a discount of approximately 26.18% to the average closing price of approximately HK\$0.1734 per Share for the ten consecutive trading days ended on the Last Trading Day; and
- (iv) a discount of approximately 16.88% to the theoretical ex-rights price of approximately HK\$0.154 per Share based on the closing price of HK\$0.167 per Share as quoted on the Stock Exchange on the Last Trading Day.

Based on the Subscription Price of HK\$0.128 and assuming no change in the shareholding structure of the Company from the date of this announcement to immediately after completion of the Rights Issue, the gross proceeds to be raised by the Company from the Rights Issue will amount to approximately HK\$71.7 million.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the market price of the Shares and market conditions. The Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Rights Share, upon full acceptance of the Rights Shares, will be approximately HK\$0.123.

Basis of provisional allotment

The basis of the provisional allotment will be one Rights Share (in nil-paid form) for every two existing Shares held by Qualifying Shareholders at the close of business on the Record Date. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Company's branch share registrar, Hong Kong Registrars Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before the Latest Acceptance Date.

Fractions of the Rights Shares

The Company will not provisionally allot and accept applications for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated and all nil-paid Rights Shares arising from such aggregation will be sold by the Company in the market, and if a premium (net of expenses) can be achieved, the Company will retain the proceeds from such sale(s) for its benefit. Any unsold aggregate fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders. No odd lot matching services will be provided.

Status of the Rights Shares

The Rights Shares, when allotted and fully paid, will rank pari passu in all respects with the then existing Shares in issue on the date of allotment of the Rights Shares in fully-paid form, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

Application for excess Rights Shares

The Qualifying Shareholders shall be entitled to apply for, (i) Rights Shares representing the entitlement of the Excluded Shareholders and which cannot be sold at a net premium; (ii) any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders; and (iii) any fractional entitlements of the Qualifying Shareholders. Application may be made by completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for.

The Directors will allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis, according to the principle that any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of excess Rights Shares applied for. Reference will only be made to the number of excess Rights Shares being applied for but no reference will be made to Rights Shares comprised in applications by PAL or the existing number of Shares held by Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under the PALs is greater than the aggregate number of excess Rights Shares applied for through EAFs, the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application. No preference will be given to topping up odd lots to whole board lots.

Investors with their Shares held by a nominee company should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Investors whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with the Company's branch share registrar, Hong Kong Registrars Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for completion of the relevant registration by 4:30 p.m. on Thursday, 17 April 2014.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfillment or waiver (as applicable) of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 21 May 2014. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Wednesday, 21 May 2014 by ordinary post to the applicant at their own risk.

Application for listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Both nil-paid Rights Shares and fully-paid Rights Shares will be traded in board lots of 6,000 Shares.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company in Hong Kong, will be subject to the payment of stamp duty and applicable fees and charges in Hong Kong.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions being fulfilled or waived (as appropriate):

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Rights Shares (in their nil-paid and fully-paid forms) by no later than the Prospectus Posting Date;
- (ii) the filing and registration of the Prospectus Documents (together with any other documents required by applicable law or regulation to be annexed thereto) with the Registrar of Companies in Hong Kong by no later than the Prospectus Posting Date;
- (iii) the posting of the Prospectus Documents to Qualifying Shareholders on the Prospectus Posting Date;
- (iv) the Underwriting Agreement not being terminated by the Underwriter pursuant to the terms thereof on or before the Latest Time for Termination;

- (v) there being no event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time of Termination which would render any of the warranties in the Underwriting Agreement untrue or incorrect in any material respect occurred prior to the Latest Time for Termination; and
- (vi) there being no breach of the undertakings and obligations of the Company under the terms of the Underwriting Agreement.

The above conditions set out in paragraph (i) to (iii) are incapable of being waived by the Underwriter and the Company. The Underwriter may waive the conditions set out in paragraph (iv) to (vi) in whole or in part by written notice to the Company.

If the above conditions are not satisfied and/or waived in whole or in part by the Latest Time for Acceptance (or such later date or dates as the Underwriter and the Company may agree in writing), the Underwriting Agreement shall terminate (save in respect of the provisions in relation to indemnity, notices and governing law and any rights or obligations which may accrue under the Underwriting Agreement prior to such termination) and no party will have any claim against any other party for costs, damages, compensation or otherwise, and the Rights Issue will not proceed.

Approval of the Rights Issue

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders under the GEM Listing Rules.

UNDERWRITING AGREEMENT

The principal terms of the Underwriting Agreement are as follows:

Date : 21 March 2014

Underwriter : Win Fung Securities Limited

To the best of the Directors' knowledge and information after having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons

Total number of Rights Shares being underwritten by the Underwriter : 560,428,810 Underwritten Shares, being all the Rights Shares under the Rights Issue

Commission : The Underwriter will receive a commission in respect of its underwriting of the Rights Issue at 3.5% of the aggregate subscription price in respect of the Underwritten Shares

The Board considers that the terms of the Underwriting Agreement and the amount of commission given to the Underwriter are fair and reasonable as compared to the market practice and commercially reasonable as agreed between the parties of the Underwriting Agreement.

Termination of the Underwriting Agreement

The Underwriter may terminate the Underwriting Agreement by notice in writing given to the Company at any time prior to the Latest Time for Termination, if, prior to the Latest Time for Termination:

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole or is materially adverse in the context of the Rights Issue after the signing of the Underwriting Agreement; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing of the Underwriting Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole; or
 - (c) any materially adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of the Group as a whole; or

- (d) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position of the Group as a whole;
 - (e) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the reasonable opinion of the Underwriter, is or might be material to the Group taken as a whole;
 - (f) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (ii) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Rights Issue; or
 - (iii) the Prospectus and all amendments and supplements thereto when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the GEM Listing Rules or the Takeovers Code or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the reasonable opinion of the Underwriter is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue.

The Underwriter shall be entitled by notice in writing to the Company to rescind the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) any material breach of any of the warranties or undertakings of the Company contained under the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which would render any of the warranties contained under the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter.

WARNING OF THE RISKS OF DEALING IN SHARES AND THE RIGHTS SHARES

The Rights Issue is conditional, inter alia, upon the fulfillment or waiver (as applicable) of the conditions set out under the section headed “Conditions of the Rights Issue” of this announcement. In particular, it is subject to the Underwriting Agreement not being terminated in accordance with its terms. Accordingly, the Rights Issue may or may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company. Any Shareholder or other person contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 22 April 2014 to Wednesday, 23 April 2014 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shareholders will be registered during this period.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

	Date (2014)
Last day of dealings in the Shares on cum-rights basis	Tuesday, 15 April
Ex-date (the first day of dealings in the Shares on ex-rights basis)	Wednesday, 16 April
Latest time for lodging transfer of Shares to qualify for the Rights Issue	4:30 p.m. on Thursday, 17 April
Register of members closes	From Tuesday, 22 April to Wednesday, 23 April (both days inclusive)
Record Date	Wednesday, 23 April
Despatch of the Prospectus Documents	Thursday, 24 April
First day of dealings in nil-paid Rights Shares	Monday, 28 April
Latest time for splitting of nil-paid Rights Shares	4:30 p.m. on Wednesday, 30 April
Last day of dealings in nil-paid Rights Shares	Wednesday, 7 May
Latest time for acceptance and payment of Rights Shares and application for excess Rights Shares	4:00 p.m. on Monday, 12 May
Latest time for termination of the Underwriting Agreement	4:00 p.m. on Thursday, 15 May
Announcement of allotment results	Tuesday, 20 May
Despatch of certificates for fully-paid Rights Shares and refund cheques	Wednesday, 21 May
Commencement of dealings in fully-paid Rights Shares	Thursday, 22 May

All times and dates specified in this announcement refer to Hong Kong local times and dates. Dates stated in this announcement for event mentioned in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Rights Issue will be announced as and when appropriate in accordance with the GEM Listing Rules.

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below set out the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the date of this announcement to immediately after the completion of the Rights Issue.

Shareholders	As at the date of this announcement		Immediately after completion of the Rights Issue assuming that all the Qualifying Shareholders take up their respective allotments of Rights Shares in full		Immediately after completion of the Rights Issue assuming that no Qualifying Shareholder takes up any of the Rights Shares and the Underwriter takes up all the Rights Shares	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Underwriter	–	–	–	–	560,428,810	33.33
Public Shareholders	1,120,857,620	100	1,681,286,430	100	1,120,857,620	66.67
	<u>1,120,857,620</u>	<u>100</u>	<u>1,681,286,430</u>	<u>100</u>	<u>1,681,286,430</u>	<u>100</u>

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in (i) provision of IT services, including consultancy, technical support, systems integration, development and sales of relevant hardware and software products; (ii) money lending business; (iii) provision of medical diagnostic and health check services; and (iv) securities and property investments business.

The estimated net proceeds of the Rights Issue will be approximately HK\$68.8 million (assuming no Shares have been allotted and issued or repurchased on or before the Record Date). The Company intends to apply the net proceeds from the Rights Issue (i) to develop the Group's mobile-online game business, including design and research and development of mobile-online games and identifying and securing intellectual property rights, which are intended for onward sale or licensing for development of mobile-online games; (ii) for investment and/or acquisition of company(ies) engaged in mobile-online game business when opportunities arise; and (iii) for general working capital of the Group. As set out in the Company's announcement dated 12 March 2014, the Group intends to form a wholly foreign owned enterprise in Shanghai, the PRC whose business shall be engaged in the design and research and development of mobile-online games and identifying and securing intellectual property rights for onward sale or licensing. As at the date of this announcement, the Group has not identified any investment or acquisition target.

The Directors consider that it is prudent to finance the Group's long term growth by way of the Rights Issue which will strengthen the Group's capital base and enhance its financial position without increasing finance costs. The Rights Issue also enable the Qualifying Shareholders to maintain their respective pro rata shareholding in the Company and participate in the growth of the Group through the Rights Issue. The Board considers that the fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

Apart from the fund raising activity mentioned below, the Company had not raised any other fund in the past 12 months immediately preceding the date of this announcement:

Date of announcement	Fund raising activity	Intended use of net proceeds	Actual use of net proceeds as at the Latest Practicable Date
12 November 2013 and 29 January 2014	Placing of 110,000,000 new Shares at HK\$0.128 per Share pursuant to the General Mandate	Approximately HK\$13.4 million was intended to be applied to the development of and investment in software products including but not limited to financial-related software, online games as well as their related service offerings (" Development Plan "). It is proposed that such proceeds will be used in the acquisition of 5% issued capital of Mighty Eight Investments Limited	The entire net proceeds had been used as the deposit paid under the acquisition of 5% issued capital of Mighty Eight Investments Limited, details of which are set out in the announcement of the Company dated 29 January 2014

Date of announcement	Fund raising activity	Intended use of net proceeds	Actual use of net proceeds as at the Latest Practicable Date
12 November 2013 and 29 January 2014	Placing of 190,000,000 new Shares at HK\$0.128 per Share pursuant to the Specific Mandate	Approximately HK\$23.1 million was intended to be applied to the possible acquisition of a group of companies principally engaging in the development and operation of mobile online games and the Development Plan. It is proposed that such proceeds will be used in the acquisition of 5% issued capital of Mighty Eight Investments Limited, details of which are disclosed in the announcement of the Company dated 29 January 2014	The entire net proceeds had not been utilised.

GENERAL

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders at the general meeting.

The Company will send the Prospectus Documents to the Qualifying Shareholders only. The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Prospectus (without the PAL and EAF) will be despatched to the Excluded Shareholders for their information only.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“associate”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“connected person”	has the meaning ascribed thereto under the GEM Listing Rules
“Directors”	the directors of the Company
“EAF(s)”	the form of application for excess Rights Shares to be used in connection with the Rights Issue
“Excluded Shareholders”	the Overseas Shareholder(s) whom the Directors, after marking enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of relevant place or the requirements of the relevant regulatory body or stock exchange in that place

“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 15 May 2013 to allot, issue or otherwise deal with additional Shares
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	20 March 2014, being the full trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Monday, 12 May 2014 or such later time or date as may be agreed between the Company and the Underwriter, being the latest time for acceptance of the offer of Rights Shares and if there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on such day (i) at anytime before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; and (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be extended to the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. noon and 4:00 p.m.
“Latest Time for Termination”	4:00 p.m. on Thursday, 15 May 2014, being the third Business Day after the Latest Time for Acceptance, or such later time as may be agreed between the Company and the Underwriter

“Overseas Shareholder(s)”	Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) which is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be used in connection with the Rights Issue
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be issued by the Company in connection with the Rights Issue in the agreed form expected to be dated the Prospectus Posting Date
“Prospectus Documents”	the Prospectus, PAL, and EAF
“Prospectus Posting Date”	Thursday, 24 April 2014 or such other date as may be agreed between the Company and the Underwriter, being the date of despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Wednesday, 23 April 2014 or such other date as may be agreed between the Company and the Underwriter in accordance with the relevant regulations or requirements
“Rights Issue”	the proposed issue of the Rights Shares on the basis of one Rights Share for every two Shares held on the Record Date at the Subscription Price pursuant to the Prospectus Documents and as contemplated under the Underwriting Agreement
“Rights Shares”	the Shares proposed to be offered to the Qualifying Shareholders pursuant to the Rights Issue
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate”	the specific mandate granted by the Shareholders to the Board at the extraordinary general meeting held on 14 January 2014 for the allotment and issue of up to a maximum number of 190,000,000 Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.128 per Rights Share at which the Rights Shares are proposed to be offered for subscription
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers, as modified, amended and supplemented from time to time
“Underwriter”	Win Fung Securities Limited, a licensed corporation to carry out business in type 1 regulated activity (dealing in securities) and type 4 regulated activity (advising on securities) under the SFO
“Underwriting Agreement”	the underwriting agreement dated 21 March 2014 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	560,428,810 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“%”	per cent.

On behalf of the Board
Computech Holdings Limited
Zhang Xiongfeng
Chairman

Hong Kong, 21 March 2014

As at the date of this announcement, the Board comprises (i) four executive Directors, namely Mr. Zhang Xiongfeng, Mr. Zhang Peiao, Mr. Mak Kwong Yiu and Mr. Hung Kenneth, and (ii) three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Wong Ching Yip and Mr. Luk Chi Shing.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in the compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of its publication and on the website of the Company at <http://www.computech.com.hk>.